

MEMORANDUM

June 7, 2007

TO: Planning, Housing, and Economic Development (PHED) Committee

FROM: Marlene L. Michaelson, Senior Legislative Analyst *MM*
Shondell Foster, Research Associate *SF*

SUBJECT: M-NCPPC Park Recreation Buildings

Staff from the Maryland-National Capital Park and Planning Commission (M-NCPPC) Department of Parks will brief the Committee on the status of their study of Park recreation buildings. Attached on © 1 to 8 is a memorandum from Parks Staff presenting their recommendations for the future use of the recreation buildings. Since this has not yet been presented to the Planning Board (it is scheduled for June 28), all recommendations are preliminary staff recommendations.

In the spring of 2005, M-NCPPC requested funding for a study of its recreation buildings. At the time they indicated that several buildings required significant repairs and renovation, but usage patterns suggested that not all buildings justified the necessary capital investment. The Department requested funds for a consultant to evaluate building conditions and use. The Council provided funds as part of the FY06 budget. Since that time the Department, with the assistance of a consultant, has completed detailed studies of needed capital improvements, operating costs and revenues, and usage. This information was used to prepare the recommendations attached on © 3 to 6. The analysis consisted of three phases described below.

M-NCPPC hired Facility Engineering Associates (FEA) to prepare an assessment of park buildings. Their report Infrastructure Inventory and Assessment of Park Components was not distributed to Councilmembers due to its large size but is available from Council staff. The Executive Summary of the report is attached on © 9 to 14. This report focuses on the condition of **capital** assets and need improvements. The study accomplished the following:

1. verified the completeness and accuracy of the inventory of facilities;
2. conducted comprehensive facility condition assessments;

3. determined a methodology for preventative maintenance, repair and lifecycle replacement activities and intervals;
4. created a process to estimate and track costs associated with maintenance, repair and replacement;
5. prioritized facility needs; and
6. quantified deferred maintenance and replacement backlogs.

FEA Findings

General Condition of the Buildings

Generally, the conditions of the buildings are poor. The floors and walls are dirty and stained, and many of the supply and air grilles for the air distribution have excessive dirt and dust. Excessive storage in mechanical rooms, electrical rooms and attic spaces are common in the buildings. The buildings lack a preventative maintenance program and routine building inspections are not conducted by management or maintenance staff to regularly identify needs. Most work is reactive rather than proactive.

The building inventory is rapidly aging and maintenance and repair needs are not systematically identified or addressed. If this is not corrected, the problems that will result are increased cost of maintenance, inefficient systems, and increased building/system downtime. The total cost of ownership will increase.

From these findings, FEA recommended that improvements should be made in the following areas:

- Identify responsibility or accountability for services provided according to the customer.
- Establish Level of Service (LOS) requirements to address ambiguity such as how clean is clean for custodial efforts and how much is enough for preventative and recurring maintenance efforts.
- Conduct Building Tours on a regular basis as a means of monitoring the maintenance and custodial efforts and subjectively measuring performance relative to established LOS requirements.
- Centralize and Standardize SmartParks.
- Modify Budget Process- Identify maintenance, repair, and capital renewal needs on a building-by-building basis as a part of the budgetary process.
- Establish a Facility Management Function that will coordinate the management and flow of information across all facility groups in the Department's inventory.

Status of Recreation Buildings

FEA developed a Facility Condition Assessment" (FCA) which assigns every project a type and category to allow similar projects to be easily compared. The project type is either CIP or Operating. Facility Focus also assigns a priority to each project which allows the highest priority projects to be scheduled and completed first while using a method for grouping and scheduling projects that need to be done in the future. A useful tool produced from the Facility Condition

Assessment is the Facility Condition Index (FCI). An FCI is calculated by dividing the Current Replacement Value (CRV)¹ of a building by the total cost to remedy the deferred maintenance² and deferred replacement³ deficiencies for the building.

In order for FEA to make an informed, accurate and professional assessment of recreation buildings, it used standards set by the Association of Higher Education Facility Officers (APPA). Each facility was measured using these standards because it incorporates the level of service of each facility and the FCI while allowing FEA to exercise its professional judgment when assessing the condition of the buildings.

Of the 43 facilities reviewed, 19% (8) of the facilities are in good condition, 42% (18) are in fair condition, 30% (13) are in poor condition, and 9% (4) are in crisis response condition.

Catalog of Recreational and Ancillary Buildings

Using information in the Infrastructure Inventory and Assessment, Parks staff prepared a Catalog of Recreational and Ancillary Buildings. A copy has been provided to each Committee Member. This report provides basic background information about each individual building and its park location. The catalogue provides the following information about each building:

- a statement of general location facts;
- a Profit and Loss statement for FY2006 that compares revenue taken from rental receipts and expenses paid for building operation;
- a building capacity analysis;
- site maps using GIS;
- the service area for each building; and
- the oblique aerial photography.

A full profile is provided for all Park recreation buildings because M-NCPPC operates these buildings, however profiles for ancillary buildings may be incomplete as some of these buildings are leased to tenants who are responsible for maintenance, utilities and may or may not keep reliable attendance information.

The report also provides a Profit and Loss statement for all Recreation Centers for FY2006. The total revenue generated for this period was \$602,416.33 and the total expenditure was \$817,247.15. The total operating loss was \$214,830.82.

Park Staff Recommendations

The third phase of this effort was for Department of Parks' staff to use the Infrastructure Inventory and Assessment of Park Components and Catalog of Recreational and Ancillary

¹ CRV- the approximate value to replace a building, in current dollars.

² Deferred Maintenance- the value of maintenance deficiencies that had not been corrected at the time of assessment, but should have been.

³ Deferred Replacement- the value of replacement of components that had exceeded their expected useful life and had not been replaced at the time of assessment, but should have been.

Buildings to develop recommendations that will become a functional plan for the ongoing use of its facilities. On June 28, 2007, they will present their recommendations to the Planning Board.

Parks Staff have concluded that there are, "too many buildings with too much unused time; we are losing money and have too large a future maintenance liability." They recommend the following :

- The continued use of 6 recreation buildings that achieve 30% or greater capacity utilization. This generally will allow each center to recoup 100% of their operating costs.
- Evaluate and market 18 recreation centers that do not meet 30% or greater capacity utilization. These recreation buildings will be marketed for 3 years to try to boost community use and then reevaluated.
- Five recreation buildings will be demolished or transferred because the building conditions are in too poor condition or because they could be better used by other public agencies. The Parks staff recommends transferring some buildings to Montgomery County Recreation Department and Montgomery County Public Schools. There will be further discussion between the agencies to determine if and when a transfer will occur.

Parks staff will also recommend to the Planning Board their recommendations be presented for public comment between July and October. Final recommendations from Parks staff will then come before the Planning Board in November, after hearing from the public.

Staff believes that the two reports and the staff analysis of the information are excellent and a model for how government can assess conditions and use of public facilities. Most significantly, the effort simultaneously consider facility condition, needed capital investment, operating practices and usage – allowing a comprehensive assessment of existing conditions and options for the future. The catalog provides an inventory of facilities that is a useful reference.

Staff concurs with Department of Parks staff recommendations to close or transfer those facilities that are simultaneously underutilized and in poor condition, monitor and try to further market those that are not well-utilized and continue to operate those that are heavily used (see decision matrix on © 8). It will be important to provide periodic updates on the buildings that are to be evaluated over the next 3 years.

Staff's only concern about the recommendations at this time is the lack of any written discussion of the need to address maintenance issues since the FEA report indicated the current maintenance plan was insufficient to maintain the physical condition of the recreation buildings. The Department must identify what policies or procedures will be changed or implemented to ensure the 24 recreation buildings that are in good to fair condition will not slip into disrepair. This is consistent with prior Council efforts to focus on needed infrastructure maintenance. Staff understands that the Department is working on this and they may want to report verbally at the meeting.



MONTGOMERY COUNTY DEPARTMENT OF PARKS
THE MARYLAND - NATIONAL CAPITAL PARK AND PLANNING COMMISSION

June 01, 2007

MEMO

TO: Planning, Housing, and Economic Development (PHED) Committee Members

VIA: Mary Bradford, Director of Parks
John Hench, Acting Chief, Park Planning and Stewardship Division
Mike Riley, Chief, Park Development Division

FROM: Lyn Coleman, Park and Trail Planning Supervisor, PPS Division
Mark S. Wallis, Senior Planner, PPS Division
MaryEllen Venzke, CIP Manager, PD Division

SUBJECT: a. **OVERVIEW OF PARK RECREATION BUILDING CONDITION ASSESSMENT STUDY**
b. **PRELIMINARY STAFF RECOMMENDATIONS REGARDING MANAGEMENT STRATEGY FOR THESE CENTERS**

BACKGROUND

The County Council funded in the FY06 work program an item to address the future of 31 park recreation buildings and 9 sample park ancillary buildings. A consultant, Facility Engineering Associates (FEA) was hired to analyze the physical condition of each building. Departmental staff has reviewed the consultant analysis and have developed a planning/management strategy to address the future of the buildings.

Staff will be presenting our recommendations to the Planning Board on Thursday, June 28 so the Planning Board has not had the opportunity to discuss or study the staff recommendations we are presenting to PHED on June 11. For this reason, our presentation today is really a "preview" of what we will discuss with the Planning Board. We will come back to PHED at your request after the Planning Board has had the opportunity to review these recommendations. At that time, we will be able to engage in more substantive discussion.

Our presentation today focuses on the 31 park recreation centers examined in the FEA Building Condition Assessment. Nine ancillary buildings were also studied but the key issues relating to these buildings concerns how leases are structured and how the buildings are maintained. These issues are mainly operational and will be discussed in detail with the Planning Board. Staff would be happy to return to PHED with the outcome of these discussions at a later date.

PROPOSED AGENDA

1. Overview of park recreation buildings
2. Overview of FEA Building Condition Assessment of Recreation Buildings
3. Staff recommended strategy for addressing future of park recreation buildings, to be presented to Planning Board for review and discussion on June 28:

Place recreation buildings in one of the following categories (see Table 1)

- Continue and Improve
 - Evaluate and Market
 - Transfer or Demolish
 - Assess Historical Priority
4. Staff recommended community outreach approach, to be presented to Planning board for review and discussion on June 28:
 - Request Planning Board approval to seek public comment on these recommendations between July and October.
 - Return to the Planning Board in early November with FINAL recommendations, modified in response to public testimony and further meetings with other public agencies, including Montgomery County Department of Recreation
 5. A strategy to insure coordination between department of parks and MCRD

STAFF ANALYSIS

1. OVERVIEW OF RECREATION BUILDINGS

Generalized Location of Recreation Buildings

There are a total of 31 park recreation buildings distributed as shown in Figure 1: Location of Park Recreation Buildings. These buildings were the subjects of the FEA Building Condition Assessment.

Characteristics of Recreation Buildings

Recreation buildings are either designed and used as recreation buildings or were designed for something else and being used as recreation buildings. The buildings are rented hourly at a fee set by the Planning board and are reserved through park permits. They are maintained by Department of Parks Central Maintenance.

2. OVERVIEW OF CONSULTANT FINDINGS

FACILITY ENGINEERING ASSOCIATES (FEA) BUILDING CONDITION ASSESSMENT FINDINGS

- 31 Recreation Buildings
 - 6 good condition
 - 16 fair condition
 - 6 poor condition
 - 3 very poor condition

3. STAFF RECOMMENDED STRATEGY FOR FUTURE OF RECREATION BUILDINGS

Based on our analysis, staff concluded:

"We have too many buildings with too much unused time; we are losing money and have too large a future maintenance liability."

Based on our analysis of a combination of factors (community use; building condition; and maintenance costs), staff will be recommending the following to the Planning board on June 28 (see Table 1 for a listing of recreation buildings in each category):

Continue and Improve 6 recreation buildings achieving 30% or greater capacity utilization (that is, 30% or more of the yearly available hours at a center are "booked"). These centers have above-average use by the community and usually recoup 100% of their operating cost. These buildings will continue to be operated, maintained and marketed.

Evaluate and Market 18 recreation buildings not currently meeting the 30% capacity utilization rate and initiate a 3-year marketing campaign to boost community use.

During the 3-year marketing period, only routine and life safety maintenance will be performed. After 3 years, the building will be re-evaluated in terms of Capacity Utilization and Total Cost of ownership. The recreation building decision matrix, summarized in Figure 2: Recreation Building Decision Matrix will be used to guide decisions about the future of each building. More written detail on this matrix will be prepared for the Planning Board packet for their June 28 meeting.

Transfer or Demolish 5 recreation buildings.

These buildings will be removed from M-NCPPC ownership and management either by demolition if building conditions warrants or transfer to other public agencies that could incorporate them into their programs.

Assess Historical Priority of Bureau of Animal Industry Building.

The Strategic Plan for Cultural Resources in Parks (December 2005) identifies 20 sites in the park system that helps tell the story of Montgomery County. The Bureau of Animal Industry Building in Norwood Local Park is one of these. Before making a final decision as to the future of this building, more study is needed to rank the importance of this building in terms of the county's history in relation to other park historic resources.

4. STAFF RECOMMENDED STRATEGY FOR COMMUNITY INPUT

Staff will be suggesting to the Planning Board on June 28 that these preliminary recommendations be presented to the public for comment and input. Staff will then return to the Planning Board in the fall with final recommendations.

During this period, staff will continue working with the Department of Recreation and the Public Schools on those properties recommended for transfer and to enlist their help in marketing our existing recreation centers.

5. A STRATEGY TO INSURE COORDINATION BETWEEN DEPARTMENT OF PARKS AND MCDR

As the Department of Parks continues its evaluation and assessment of park recreation buildings, a key point of coordination is with MCDR. For example, MCDR staff has agreed to participate in the proposed 3-year marketing campaign to boost utilization of park recreation buildings. Other areas of coordination include:

1. Management and operation of park recreation buildings that are locations for MCDR programs.

One area of upcoming coordination concerns Wheaton Community Center. (This is considered a park ancillary building so it does not appear in the list of recreation buildings.) The building is managed, programmed and staffed by MCDR and all revenue from programs goes to MCDR but the maintenance costs and services are provided by the Department of Parks.

STAFF RECOMMENDATION: Wheaton Community Center provides needed space for MCDR programs. Operation of the building, including maintenance and CIP, could be transferred to MCDR at a mutually agreeable year once MCDR completes the ongoing Kemp Mill/Wheaton community recreation center facility plan.

2. Identification of park recreation building sites that are desirable future locations for MCDR recreation buildings.

The Clarksburg recreation building site may be an attractive location for a new recreation center.

The existing building is old but the site is large enough to support a newer, more modern building.

STAFF RECOMMENDATION: MCDR will be doing facility planning and site selection for a recreation center in Clarksburg in FY 09-14. The site evaluation study should include consideration of the Clarksburg site as an alternative.

3. Relocation of MCDR programs when park recreation buildings are recommended for demolition.

This is the case in terms of Camp Seneca. The Department of Parks staff is recommending demolition of the building that now houses MCDR summer camp, but identifies an adjoining building where the summer camp could continue. This type of coordination assures uninterrupted continuation of MCDR summer camp.

STAFF RECOMMENDATION: Continue coordination between Department of Parks and MCDR to assure continuity of Camp Seneca summer camp by investigating the transfer of camp activities to the first floor of nearby Seneca Lodge.

TABLE 1.
SUMMARY OF PRELIMINARY STAFF RECOMMENDATIONS FOR PARK RECREATION BUILDINGS

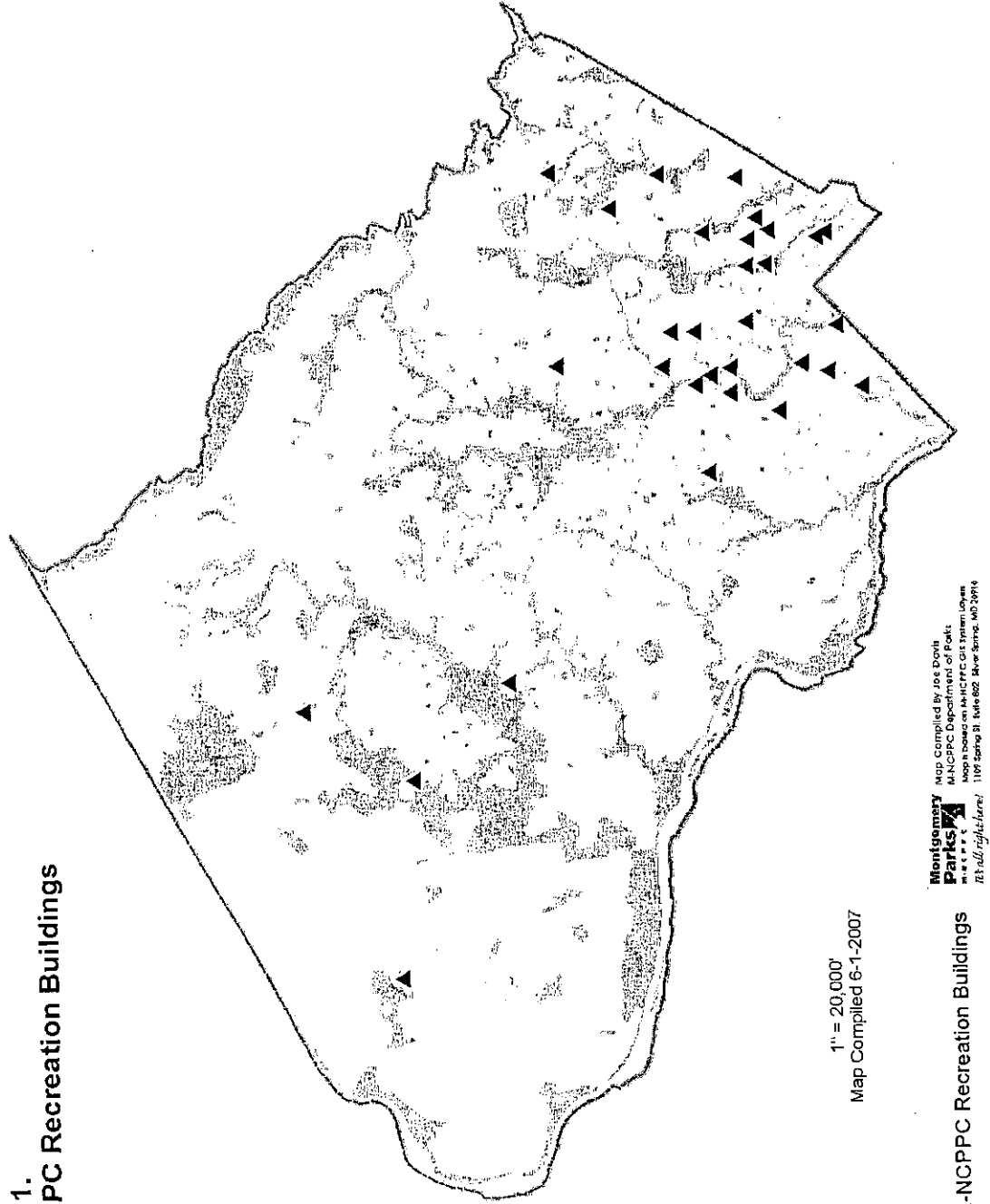
MANAGEMENT CATEGORY	CENTERS AFFECTED	RATIONALE	RECOMMENDED MANAGEMENT STRATEGY
CONTINUE AND IMPROVE	Glenmont Indian Springs Kemp Mill Estates Meadowbrook Norbeck-Muncaster Tilden Woods	These centers meet or exceed the target capacity utilization rate of 30%	Fund routine and recurring maintenance Market to general public
EVALUATE AND MARKET	Capitol View-Homewood Local Park Colesville Local Park Ken-Gar Palisades Local Park Lynnbrook Local Park Maplewood-Alta Vista Local Park Nolte Local Park North Chevy Chase Local Park North Four Corners Local Park Owens Local Park Pilgrim Hill Local Park Pinecrest Local Park Quince Orchard Valley Neighborhood Park Sligo Avenue Neighborhood Park Sligo-Dennis Avenue Local Park Spencerville Local Park Stoneybrook Local Park Veirs Mill Local Park Wheaton-Claridge Local Park	These centers fail to meet the target capacity utilization rate of 30% but community use may increase with better marketing. These centers can continue operating for 3 years with routine maintenance.	Establish 3-year marketing period to actively promote use of the centers. Provide only routine and safety maintenance during this period. At end of 3 year marketing period, re-evaluate building in relation to building decision matrix.

(6)

MANAGEMENT CATEGORY	CENTERS AFFECTED	RATIONALE	RECOMMENDED MANAGEMENT STRATEGY
TRANSFER OR DEMOLISH	HILLDALE	FAILED SEPTIC SYSTEM; PROVIDING PUBLIC SEWER SERVICE WOULD EXCEED BUILDING'S VALUE.	DEMOLISH
	Randolph Hills	1995 Randolph Hills Building Evaluation Study found rotting sill plates at foundation.	Once findings of 1995 study are verified, demolish building. Relocate current users to Veirs Mill Recreation Center
	Garrett Park Estates	Center has water, roof, and façade damage. Center is located on property that adjoins Garrett Park Elementary School. This property could provide a larger site for development of the new Garrett Park Estates Elementary School.	Explore transfer of property to Montgomery County Public Schools. Relocate current tenants to more suitable building.
	Clarksburg	Clarksburg Rec. Center built in 1969; adjoins new Clarksburg high school.	Explore property transfer to MCDR for possible new 33,000 sq ft recreation center to serve Clarksburg community.
	Camp Seneca	Park residence on top floor; hourly community use rental on main level; summer use by camp Seneca.	Demolish building and work with MCDR to relocate Camp Seneca functions to ground floor of nearby Seneca Lodge.
ASSESS HISTORICAL PRIORITY	Bureau of Animal Industry Building (Norwood Local Park)	This building is listed in the Strategic Plan for Cultural Resources in Parks (2006) and recommended for a public/private partnership "to rehabilitate the building either for continued use as a community center or for a new use that also serves community needs."	Needs to be analyzed in terms of priority for renovation/restoration in relation to overall historic preservation program for park buildings.

Prepared by PPS Division, Dept of Parks, 5/31/07

Figure 1.
M-NCPPC Recreation Buildings



1" = 20,000'
Map Compiled 6-1-2007



Montgomery
Parks & Recreation
Map Compiled by Joe Davis
M-NCPPC Department of Parks
Map is based on M-NCPPC GIS system layer
1105 Spring St. Suite 802 Silver Spring, MD 20910
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▲ M-NCPPC Recreation Buildings

Figure 2.

RECREATION BUILDING DECISION MATRIX

	High Use >30% Capacity Used	Low Use <30% Capacity Used
Low Cost of Operating (Good Shape) <13.50 \$/SF	<ul style="list-style-type: none"> Keep Open as M-NCPPC Recreation Building 	<ul style="list-style-type: none"> Close as Recreation Building Offer building to other Mission based park units Move to Property Management and offer building to Commission based units at 100% Cost Recovery or Market Rate Demolition (less likely)
High Cost of Operating (Poor Shape) >13.50 \$/SF	<ul style="list-style-type: none"> Keep Open as M-NCPPC Recreation Building 	<ul style="list-style-type: none"> Close as Recreation Building Offer building to other Mission based park units Demolition (more likely)

EXECUTIVE SUMMARY

The Maryland-National Capital Park and Planning Commission ("The Commission" or "M-NCPPC") is a bi-county agency that was created by Chapter 448 of the Acts of the General Assembly of Maryland of 1927. The same agency, with the same name, exists today. Pursuant to Article 28 of the Annotated Code of Maryland, M-NCPPC is empowered to acquire, develop, maintain and operate park systems with recreational facilities within Montgomery and Prince George's Counties, Maryland. The Montgomery County Department of Parks is a unit within The Commission which oversees and operates a Park System in Montgomery County with an excess of 33,000 acres and 401 parks, of which about 27% of the land is developed as active parks, nature, and recreation facilities.

As stated in the Proposed Annual Budget for Fiscal Year 2007 ("the Proposed FY07 Budget"), the Commission identifies itself as "a leader in managing public resources and delivering quality customer-focused services." The M-NCPPC Mission enumerated in the Proposed FY07 Budget is to:

- "Manage physical growth and plan communities
- Protect and steward natural, cultural and historic resources
- Provide leisure and recreational experiences"

Consistent with the Commission's commitment to quality, the Department of Parks' mission is "to improve the quality of life by conserving and enhancing the natural and developed environment for current and future generations."

Adopting a Manage for Results (MFR) model, the Commission has committed to a strategic focus on the following to fulfill its mission:

- Mission-driven Core Services
- Revenue Diversification
- Customer Focused Programs
- Management and Employee Accountability
- Contemporary Technologies
- Prioritized Capital Improvement Program
- Performance Measurement

And as "one of 55 park and recreation entities to be accredited by the Commission for Accreditation of Park and Recreation Agencies (CAPRA)" and a five-time gold medal winner of National Park and Recreation Award of Excellence, the Commission has done well to demonstrate this commitment. Yet the Commission strives to do better.

With the institution of numerous, activity-specific maintenance standards based on industry benchmarks, and the establishing of performance metrics, the Commission "expected its performance measurement system to be evolving and multi-year designed to accomplish the following:

- Clearly identify goals and objectives that tie to measures.
- Report accurate and timely data that is useful and relevant to the most significant activities.
- Reflect adaptability to the changing needs of the public.
- Provide the basis for best practice information.
- Provide the logic for improved performance.
- Connect and integrate with other aspects of management."

Following this approach and the MFR model, the Commission reviewed its 2006 performance and established FY07 strategic objectives, which were presented with the Proposed FY07 Budget. In January of 2006, the Commission issued its Proposed FY07 Budget and highlighted several of the 2006 performance results, which were then targeted for improvement in FY07.

- The Proposed FY07 Budget highlighted that keeping "...these facilities in safe and attractive operating conditions ... is extremely challenging because in former budget cycles park maintenance was reduced or deferred due to fiscal limitations.
- The Proposed FY07 Budget also proposed as "FY07 Strategic Initiatives" for the Department:
 - *"Park Maintenance and Existing Infrastructure: Combating the deterioration of our existing park infrastructure is a high priority in FY07.*
 - *"Expand SmartParks program to include developing a comprehensive overview of the current condition of the park infrastructure, and improve our ability to receive, track, and recognize final disposition of customer complaints..."*

Achieving the stated FY07 objectives requires an accurate accounting of facility conditions in order to prioritize maintenance, repair and replacement needs and make more efficient use of available resources (staff and budget). Furthermore, to minimize ongoing deterioration requires implementing a maintenance program that will achieve the desired "Level of Service" for customers (without over-extending resources) and addresses ongoing repair/replacement needs in a timely manner. And finally, to measure success relative to the established performance standards requires an appropriate use of SmartParks throughout the Department.

These requirements were also recognized in the Proposed FY07 Budget, which stated: "In addition to establishing benchmarks for park maintenance, there are two other efforts that have a bearing on maintenance and infrastructure: the (County Council's Interagency) Infrastructure Maintenance Task Force and SmartParks." The Council directed the Department to develop a system to quantify infrastructure maintenance costs for both the operating and capital improvement costs. The information in the Infrastructure Maintenance Task Force reports will be updated on an annual basis and will provide the Council with a basis for funding requests.

A Request for Proposal (RFP) was issued in 2006 to engage a consultant to assess facilities and capital assets to help understand the condition of the facilities, and specifically to:

1. verify the completeness and accuracy of the inventory of facilities;
2. conduct comprehensive facility condition assessments;
3. determine a methodology for preventative maintenance, repair and lifecycle replacement activities and intervals;
4. install a process to estimate and track cost associated with maintenance, repair, and replacement;
5. prioritize facility needs; and
6. quantify deferred maintenance and replacement backlogs.

The goal stated in the RFP (for this project) was "...to perform a condition assessment and life cycle cost analysis of the Park Development Division's inventory to aid the Division in evaluating the infrastructure in its Park System by:

- a) creation of a maintenance program;
- b) estimating the required funding to maintain the infrastructure and multi-year capital planning and management of resources; and
- c) providing a safe and usable park and recreation environment for the citizens of Montgomery County.

In addition, the work product will be used to implement an ongoing process of identification and prioritization for replacement, renovation and maintenance of all infrastructure assets."

FEA was awarded the project in May 2006 and began work shortly thereafter. The first phase (as required by the RFP) included four of sixteen Facility Groups identified in the RFP. The four Facility Groups included: 1) Recreation Buildings; 2) Ancillary Buildings; 3) Hard Surface Trails; and 4) Playgrounds. This report addresses Facility Groups 1 and 2 only. Separate reports will be issued for Facility Groups 3 and 4.

The Scope of Work (SOW) for the project was broken down into the following five Tasks:

1. Develop a written business process to aid the implementation of a process for achieving the tasks of the RFP and a process for consistently updating the information;
2. Collect, store, and deliver the inventory and condition assessment data in a format that would be transferable to SmartParks;
3. Verify the existing inventory through site visits and establish a rating criteria for the condition assessments for Facility Groups 1 through 4; and
4. Perform the condition assessments for Facility Groups 1 through 4; and
5. Deliver a report of the final assessment data that identifies deferred maintenance, replacement backlog, and capital renewal requirements (prioritized and categorized) and provides a strategic plan for implementation of future cyclic maintenance, renovation and life cycle replacement.

The following table summarizes basic statistics for the Recreation and Ancillary Buildings, Facility Groups 1 and 2, and our condition assessment findings:

COUNTY (within MARYLAND)	MONTGOMERY
NUMBER OF PARK PROPERTIES ASSESSED	40
NUMBER OF BUILDINGS ASSESSED	43
TOTAL CURRENT REPLACEMENT VALUE ¹	\$11,524,351
TOTAL DEFERRED MAINTENANCE BACKLOG ²	\$ 815,675
TOTAL DEFERRED REPLACEMENT BACKLOG ³	\$ 1,086,732
AVERAGE FACILITY CONDITION INDEX ⁴	0.1651

¹ **Current Replacement Value (CRV)** is defined as the approximate value, in current dollars, to replace a building. The total CRV indicated is for all buildings assessed in Facility Groups 1 and 2. As required by M-NCPPC, CRVs for this scope of work reflect replacement of structures for their original use.

² **Deferred Maintenance Backlog (DM)** is defined for this scope of work as the value of maintenance deficiencies that have not been corrected. DM has been projected in FY07, FY08, and FY09. This is discussed further in the **FACILITY CONDITION SUMMARY** (located in tab at back of report).

³ **Deferred Replacement Backlog (DR)** is defined for this scope of work as the value of replacement of components that have exceeded their Expected Useful Life (EUL) but have not been replaced. This is discussed further in the **FACILITY CONDITION SUMMARY**.

⁴ **Facility Condition Index (FCI)** is defined for this scope of work as Total (DM + DR) divided by Total CRV. This is discussed further in the **FACILITY CONDITION SUMMARY**.

Common deficiencies at the Facility Group 1 and 2 buildings included deteriorated exterior and interior finishes, which have been recommended for repair, once asbestos, lead, and/or mildew investigations are completed. Many roofs have current leaks and their immediate repair or replacement is recommended. There were also many instances where pedestrian pavement (hardscape) surfaces leading to and around buildings were cracked, settled or deteriorated and presented tripping hazards; these were noted as deficiencies. In such cases, an allowance for pavement repair was projected in Fiscal Year 2007 (FY07).

Although the total Deferred Maintenance (DM) plus Deferred Replacement (DR) Backlog across the Facility Group 1 and 2 inventory was significant, few buildings have very high FCIs (higher FCI indicates greater DM), due to the relatively simple nature of the systems. DM and DR items that were inoperable or unsafe at the time of our assessment have been included in FY07. Some DM and DR items have been included in FY08 and FY09. These represent items (of maintenance, repair or replacement) that did not appear unsafe or inoperable at the time of our assessment, but should be addressed, repaired, or replaced soon.

The timing of projected expenditures for the remainder (not DM or DR) of the capital renewal items over the 20-year study period was based on observed condition relative to the EUL of the components. If the condition suggested accelerated deterioration, the projected Remaining Useful Life (RUL) was adjusted. Otherwise, the RUL was projected as the EUL minus the current age of the component.

Although a preventive maintenance program was in place for mechanical/HVAC equipment, we did not see evidence of any other preventive or recurring maintenance. It appeared that routine building inspections (or tours) were not conducted by management or maintenance staff to regularly identify needs. In addition, many items were observed that were well beyond their typical EUL.

Based on our observations and interviews, it appeared that most work was reactive rather than preventive or proactive.

The custodial efforts at many of the buildings appeared to be poor. We observed floors and walls that were dirty and stained, and many of the supply and return air grilles for the air-distribution had excessive dirt and dust. Excessive storage in mechanical rooms, electrical rooms, and attic spaces was common in the buildings.

In addition to our condition assessment effort, FEA interviewed numerous M-NCPPC staff as part of our approach methodology. This was done to understand observed conditions relative to performance standards and to measure "practice standards" relative to performance standards. The result of this approach is the identification of programmatic deficiencies rather than physical condition deficiencies. Addressing these programmatically will tend to minimize the potential for recurring deficiencies and reduce overall deferred maintenance. For the Recreation and Ancillary Buildings, we found the following:

- There appears to be a lack of "building ownership" due to decentralized activities relative to building operations and maintenance. As a result, there is a lack of "process ownership" for identifying maintenance and repair needs and budgets, a lack of "outcome accountability" for poor performance, which ultimately leads to an absence of feedback for process improvement.
- In general, "recurring maintenance" (for cyclical maintenance items with a frequency exceeding 12 months) is not conducted in a regular, planned fashion.
- Maintenance and repair is more reactive than preventive, or proactive. This highlights the need for establishing "level of service" requirements for the maintenance program.

- There is a widespread opinion that SmartParks was supposed to “do” what people need to do; maintenance/repair requirements and performance reports cannot be generated if the information is not entered.
- Due to the above items, not all required maintenance and repair activities are logged into SmartParks.
- Although custodial maintenance frequency targets are “daily” and, according to the Proposed FY07 Budget, performance measurements indicate the standard is regularly met, the level of custodial service is generally poor. This highlights the need for establishing a “level of service” requirement for the custodial program in addition to the frequency targets already established.
- There is no ongoing, systematic identification of repair/replacement needs looking beyond the next budget cycle.
- Identification of budget needs and tracking of expenses for buildings has not been done to a level of granularity that can provide a clear understanding of past investment in and future requirements for building repair and maintenance.
- There is no evidence of a mechanism to funnel and filter building needs (maintenance, repair, and replacement information) through the organization structure.

The building inventory is rapidly aging and maintenance and repair needs are not systematically identified or addressed. Without correction, DM and DR will increase over time, the frequency and cost of reactive maintenance will increase over time, system efficiency will decrease over time, and system/building downtime will increase over time. As a result, the total cost of ownership will increase over time.

From these findings, we can identify a number of improvement opportunities. Based on our observations and interviews with Commission and Department staff, we recommend consideration of the following, which we believe would help the Department and Commission improve service delivery to its customers. These include:

- **Assign “Ownership”**

Ownership, or responsibility and accountability, needs to be identified from the top down, starting with who “owns” the building. Although service ownership appears to be identified, it is shared among Divisions. Therefore, services may be provided, but for an absentee owner. As a result, performance is measured and needs are identified by the customer rather than the owner.

- **Establish Level of Service Requirements**

Level of Service (LOS) requirements will establish performance standards to address ambiguity such as “how clean is clean” for custodial efforts, and “how much is enough” for preventive and recurring maintenance efforts. Once the LOS requirements are established, programs should be established to provide that LOS, performance should be measured relative to the LOS, and corrective action taken (if necessary) to restore and maintain the LOS.

- **Conduct Building Tours**

Building tours should be conducted on a regular basis by management staff as a means of monitoring the maintenance and custodial efforts and subjectively measuring performance relative to established LOS requirements. These tours should cover all exterior and interior areas of the buildings. Items of immediate need should be identified and work requests made in SmartParks. Additionally, each level of maintenance staff should be instructed that improving overall performance is a team effort and that they should look for areas/items of concern as they complete preventive maintenance tasks. These items should be called-in to management for validation and entered into SmartParks as necessary.

- **Centralize and Standardize SmartParks**

Management and administration of SmartParks must be centralized and participation must be standardized. The level of Division interaction that can be directed and maintained will be dependent on the availability of trained staff within the Divisions and the ability of that staff to dedicate the required time to the system. However, centralized management and administration should afford some latitude in standardizing Division participation. Either Division interaction can be set and maintained according to the lowest available skill level, which then becomes the standard, or Division staff can be hired or trained to meet a desired standard. Either way, participation must be standardized across the Divisions in order to use the technology efficiently.

- **Modify Budget Process**

Identifying maintenance, repair, and capital renewal needs on a building-by-building basis should be part of the regular budgeting process. The building owner should be intimately familiar with the requirements, which should "roll up" to a budget request that can be justified all the way down to the project level. This will provide a logical, defensible budget to whatever level of granularity is necessary to sell to stakeholders. With the implementation of a Condition Assessment module in SmartParks, this should be achievable.

- **Establish a Facility Management (FM) Function**

To accomplish the above as well as other strategic initiatives identified by the Commission, we believe the Department must establish a FM Function to coordinate the management and flow of information across all Facility Groups in the Department's inventory. We expect that the previous recommendations, although so far made in response to our assessment of the Recreation and Ancillary Buildings only, will apply to other Facility Groups as well. The FM function should serve as the conduit to filter and funnel information to the Superintendent's office.

Additional discussion sections are provided at the back of this report, following the individual Recreation and Ancillary Building reports. Although some of these are titled Summary sections, they contain additional information on: our scope; assessment methodology; findings, recommendations, and expenditure forecasts; a discussion of the Facility Condition Index concept and a building-by-building FCI summary, and our recommendations for preventive maintenance program.